

VZCZCXRO9825

OO RUEHBZ RUEH DU RUEHGI RUEHJO RUEHMA RUEHMR RUEHPA RUEHRN RUEHTRO
DE RUEHDK #0220/01 0541303
ZNR UUUUU ZZH
O 231303Z FEB 09
FM AMEMBASSY DAKAR
TO RHMFIUU/HQ USAFRICOM STUTTGART GE IMMEDIATE
RUEHC/SECSTATE WASHDC IMMEDIATE 1904
INFO RUEKJCS/SECDEF WASHDC IMMEDIATE
RUEHZO/AFRICAN UNION COLLECTIVE
RUEHZK/ECOWAS COLLECTIVE

UNCLAS SECTION 01 OF 05 DAKAR 000220

SENSITIVE
SIPDIS

STATE FOR AF/RSA, AF/W

E.O. 12958: N/A

TAGS: [PGOV](#) [PINS](#) [ASEC](#) [SOCI](#) [PHUM](#) [PINR](#) [KDEM](#) [KISL](#) [ECON](#)

SG

SUBJECT: SENEGAL FEBRUARY 2009 SCENESETTER

1. (SBU) SUMMARY: Senegal is preparing to hold local elections amid an atmosphere of slowly building social unrest due to ongoing economic difficulties, poor management of the country's public finances, and disillusionment with Senegal's overall governance. The Senegalese are known for and proud of their democratic tradition, but the country's democratic institutions have deteriorated of late. Senegal is a predominantly Muslim country (commonly estimated at 93 percent), but the Senegalese are proud of their tradition of religious tolerance. Despite high rates of poverty and illiteracy, Senegal has historically maintained a fair degree of political stability and coherence. As a result, the country has long punched above its weight class as a diplomatic player on the continent and a sought-after partner internationally. After having hosted the Organization of the Islamic Conference (OIC) Summit last March, Senegal is serving as the chair of the Ummah, which ostensibly expands President Wade's influence to the entire Muslim world. Senegal is our closest ally in Francophone Africa and visibly supports the United States in promoting peace through UN and AU peacekeeping operations and cooperation in combating terrorism. With U.S. training and assistance, Senegal has become one of the world's top ten contributors of peacekeepers. Wade has disappointed his western partners and many of his fellow African leaders, however, by supporting the recent coups in Mauritania and Guinea.

2. (SBU) The GOS must recover from two years of lackluster economic growth, the result of high food and energy prices last summer and the self-inflicted damage of poor governance, corruption, and rampant off-book expenditures. In December, Senegal barely passed its second review under its IMF Policy Support Initiative (the U.S. abstained). Significant reforms must be implemented quickly if the program is to stay on track. Senegal aspires to become a more significant trading partner, but its producers have yet to make serious efforts to tap into the U.S. market, preferring to focus their exports on regional and European countries. The U.S. commercial presence in Senegal is relatively small, especially considering the country's regional importance. The overall economic malaise, especially in the agriculture and fishing sectors, has resulted in mass (and dangerous) illegal migration of Senegalese to the Canary Islands (and, hence, the European Union), a thorny issue for the GOS. Senegal must improve the investment climate and push forward more vigorously with reforms to strengthen a fragile judiciary and legislature that are often subject to political influence. END SUMMARY.

A WEAKENING DEMOCRACY

3. (SBU) Senegal has long benefited from a reputation for a commitment to democracy. The reality has always been more nuanced, but the trends have been distinctly negative in the

last few years. After 30 years in the opposition, President Abdoulaye Wade (pronounced "wahd") was elected in 2000 in an historic election that saw the peaceful removal of the country's independence party -- the Socialist Party -- from office. Wade quickly fell out with other leaders in the coalition of parties that supported his election and proceeded to gather power in the presidency in a system that was already overly centralized. In 2007, Wade won a second term with 56 percent of the vote in a field of 15 candidates (one of whom, Idrissa Seck, was his former protege, Chief of Staff, and Prime Minister. Wade recently returned Seck to the fold). In spite of this victory, the election represented a loss of public support for Wade.

¶4. (SBU) Twice-postponed parliamentary elections took place a few months later that year, but most of the major opposition parties boycotted them, alleging irregularities in the presidential election and assuming more of the same for the legislative round. This resulted in the ruling Senegalese Democratic party (PDS) and its allies capturing 131 of the 150 seats in the National Assembly turning the country into a virtual one-party state. Moreover, following these elections, President Wade reestablished a national Senate, reversing his 2001 elimination of that body. Under the current format, the President chooses 65 of the 100 senators with 35 chosen by indirect suffrage. Thus, since coming to power President Wade has reinforced the authority of the Presidency and reduced the legislature to a insignificant rubber stamp, a fact made stark by the President's decision to modify the constitution to allow for the removal of the then president of the National Assembly, after the incumbent supported the convocation of the

DAKAR 00000220 002 OF 005

President's son Karim to testify before the National Assembly regarding the activities of a national infrastructure agency which he heads. In 2007 and 2008, Wade pushed through a number of other constitutional changes to help him consolidate power and expand the size and remuneration of his cabinet.

¶5. (SBU) Furthermore, it is widely believed that the 82-year old Wade is maneuvering so that his son can succeed him as president. The first stage in the planned succession is reportedly Karim Wade's election as Mayor of Dakar following the March 22, 2009 local elections. Karim has never held elected office, but is on the electoral list for the city council of Dakar. Assuming the ruling party wins, as is expected, political bosses on the council and who serve as the equivalent of borough presidents are expected to select Karim to become the next mayor. Observers speculate that he would then use this position to catapult himself to the presidency in 2012, if not sooner.

SENEGAL'S UNIQUE BRAND OF ISLAM

¶6. (SBU) Senegal is 93 percent Muslim, and it has traditionally been resistant to religious extremism. One reason for this moderation is Senegal's distinctive and flexible interpretation of Islam. Another may be its geographic position at the western edge of the Islamic world. But perhaps the principal reason is the pervasive influence of Sufi brotherhoods that are hostile to external influences that they perceive as undercutting their own stature. The majority of Senegalese identify themselves with one of the four principal Brotherhoods (Tidjane, Mouride, Qu'adria and Layenne). Religious chiefs are called marabouts. Followers (or talibes) are expected to attach themselves to a marabout, creating a filial allegiance, often for life. In many ways the marabouts have replaced the traditional village chiefs. Talibes, whether 5-year old street children or successful industrialists, are expected to return significant portions of their income to their marabout. Politicians use these affiliations to advance their policies.

SENEGAL'S ECONOMY: AN ACHILLES HEEL

¶7. (SBU) In Senegal more than half the population lives in poverty and one-third to one-half have no reliable employment. The country, which ranks 153rd of 177 countries on the UN Human Development Index and which remains highly aid-dependent, continues to face severe economic and social challenges which could ultimately undermine stability if not properly managed. Sustained economic growth of eight percent or more is needed to even approach the Millennium Development Goal of halving poverty by 2015. By way of comparison, annual economic growth was two percent in 2006 and below five percent in 2007 and 2008. The agricultural sector, which employs 60 percent of the population, is weak and unreliable; fishing, another major source of livelihood, has also been depressed mostly due to diminishing fish stocks. Large numbers of young people see emigration as a panacea, as shown by the flight in recent years of thousands of Senegalese, via small and dangerous boats, to the Canary Islands -- an entry to the European Union. The investment climate is not attractive, in part due to a lack of transparency in the use of public sector resources, including by a quasi-state infrastructure agency headed by Karim Wade.

¶8. (U) Senegal is facing a serious budget crunch and has turned to donors for assistance. In 2007-2008, the country had an unanticipated \$350 million (or more) internal deficit, which put at risk the country's Policy Support Instrument with the International Monetary Fund. Most traditional donors, for their part, are hesitant to provide budget support without greater transparency and accountability of expenditures by the GOS. The Senegalese, especially urban dwellers, have suffered from recurring and significant shortages and price fluctuations in gasoline, cooking fuel, vegetable oil, rice, sugar, cement, and transportation services. This has led to widespread and increasingly intense criticism of the Government and sometimes violent public demonstrations.

FOREIGN POLICY PRIORITIES START IN NEIGHBORHOOD

¶9. (SBU) Senegal devotes major efforts to maintaining stability on its borders. Wade, a committed Pan-Africanist, has worked hard to expand Senegal's role on the continent and in world affairs and his government actually provides real

DAKAR 00000220 003 OF 005

resources (financial, material, and humanitarian) to its near neighbors. Wade immediately recognized and defended the coup leaders in both Mauritania and Guinea, officials explained, partly out of fear of the potential for disruptions (including potential violence toward Senegalese emigrants in Mauritania), and a resulting influx of refugees to Senegal. Also, the sometimes erratic behavior of Gambian President Jammeh, who rules the strategically located strip of land that virtually cuts off the southern third of Senegal, raises concerns over The Gambia's stability. More widely, during the OIC Summit, Wade mediated a quickly-discarded peace agreement between Chad and Sudan. He has also involved himself in Zimbabwe's political upheavals by lending President Robert Mugabe his unequivocal support.

CASAMANCE CONFLICT

¶10. (SBU) Internal conflict in Senegal's southernmost region of the Casamance has regional security implications because it borders The Gambia and Guinea-Bissau. In the last year there has been a decrease in rebel military operations by the armed group of the Movement of Democratic Forces of the Casamance (MFDC) as compared to the last two-to-three years, although banditry sometimes accredited to the MFDC has been on the rise. The area remains relatively calm and the general population is able to move about freely and conduct their daily affairs. Most of the attacks the MFDC have conducted are assaults on travelers and commuters for personal gain in the form of cash, cell phones, food and personal goods, rather than for ideological reasons. The

peace process is moribund at this time due to government inaction. Observers speculate that Wade has decided the MFDC is no longer a significant threat and opted to let the organization wither on the vine. This is a potentially risky strategy and the absence of a conclusive peace agreement impedes economic development in the region, creating a poorly governed space that narcotics traffickers and other organized criminals can exploit. The USG continues to support a resolution to the conflict by working with civil society and providing conflict resolution training for interlocutors of the GOS. Apart from the risk to the country's security, the conflict in the Casamance deprives Senegal of huge economic potential in tropical agriculture and tourism.

U.S. ASSISTANCE

¶11. (SBU) In addition to supporting the Casamance peace process, U.S. assistance to Senegal has focused on Muslim outreach, health, education, export promotion, natural resources management, promotion of women's rights, good governance, and decentralization. Almost 200 Peace Corps Volunteers) the largest such contingent in any country - are involved in health, education, environmental protection, and micro-enterprise programs. Post,s model Muslim outreach program includes assisting daaras (Koranic schools); sending imams, marabouts, and Islamic scholars to the United States on International Visitor programs and donating Arabic-, French- and English-language materials to Islamic schools and libraries.

¶12. (U) In Fiscal Year (FY) 2008, the United States provided about USD 52.12 million in assistance to Senegal, including USD 15.8 million under the President's Malaria Initiative (PMI), USD 3.9 million to combat HIV/AIDS and tuberculosis, and USD 1.3 million for middle school construction, textbooks, and scholarships for girls.

COMMITMENT TO REGIONAL SECURITY/COOPERATION WITH U.S.

¶13. (SBU) Senegal has been a loyal partner and has served as an operational base for every U.S. deployment to the region. The GOS has supported United States interests by deploying peacekeeping troops to the Gulf War, Bosnia, Haiti, Rwanda, the Central African Republic, East Timor, Cote d'Ivoire, Sierra Leone, Liberia, the Democratic Republic of the Congo (DRC), and, most recently, Sudan. Senegal was the first African nation to sign up for the African Crisis Response Initiative (ACRI) (now the African Contingency Operations Training and Assistance (ACOTA)) program that provides military assistance and training to African militaries with the capability of participating in peacekeeping operations, principally in Africa. ACOTA complements the largest International Military Education and Training (IMET) program in Sub-Saharan Africa. This has paid major dividends through the engagement of Senegalese troops in their traditional areas of interest (Cote d'Ivoire) and in areas of traditional

DAKAR 00000220 004 OF 005

interest to us (Liberia). Senegal is now one of the leading contributors to UNAMID with 633 troops and is training more to increase that number to 1,600. Senegal is also a participant in the Center of Excellence in Stability Police Units (COESPU) in Vicenza, Italy and had 123 stability police trained at that facility.

THE U.S.-SENEGAL AGENDA

¶14. (SBU) Senegal represents the most important francophone partner of the United States in Africa. For Senegal, the U.S. represents an attractive alternative to dependence on France. Commercial ties between our countries should be much stronger. However, there is a realistic appreciation among knowledgeable Senegalese that the U.S. is not likely to supplant France as its principal partner any time in the foreseeable future.

¶15. (SBU) On terrorism, Senegal was among the first African states to recognize the dangers posed to its own security by international terrorism. It has cooperated actively with the United States in the fight against terrorism and has ratified 12 of the 13 key anti-terrorist conventions and protocols identified by the U.S. The National Assembly enacted counterterrorism legislation last year, but has yet to approve updated legislation (as directed by the regional central bank) to combat terrorist financing. Intelligence sharing and vigilance along Senegal's borders is good and continues to improve through well-established channels. We continue to raise our concerns with Senegal's leaders over the potential for unwanted influences from radical Muslim states, such as Iran.

¶16. (SBU) On counter-narcotics, Senegal's role as a regional hub, with an active international airport and port, as well as porous land borders make the country particularly vulnerable to infiltration by traffickers. Senegal shares a long border with the two countries -- Guinea-Bissau and Guinea -- that are arguably the twin epicenters of this growing regional threat to stability. Nevertheless, Senegal has one of the most capable law enforcement and security apparatuses in the region, one which we seek to cultivate. A recent INL-led interagency team recently visited Dakar to survey GOS law enforcement capacity with an eye toward recruiting Senegal to be a regional leader in the fight against narcotics trafficking.

¶17. (SBU) Post continues to scrutinize Senegal's relationships with Iran, Libya, Sudan, Venezuela, and China. Thus far, Senegal has managed to compartmentalize those relationships to ensure that they do not act to undermine Senegal's stability. Post also continues to remind Senegal's leaders that too close an embrace will not be well understood nor appreciated in Washington. Thus far, President Wade has been receptive to the message. With respect to Iraq, Senegal was more neutral than during the first Gulf War, when it proudly provided troops to help evict Saddam from Kuwait. Senegal resisted French pressure to take a more critical posture, and in fact Wade publicly noted his satisfaction that Saddam had been removed from power. Since diplomatic relations with China were re-established in October 2005, the Chinese have played an increasingly visible role as a development partner, and the market share of Chinese products, especially cheap consumer goods and equipment and vehicles has increased. Chinese President Hu Jintao made a state visit to Senegal in February 2009 as part of a multi-country tour of Africa. Large-scale foreign investment, however, has come mostly from France, the UAE, Sudan, Morocco, and India.

INVESTMENT CLIMATE

¶16. (U) Potential investment and current businesses are hampered by Senegal's poor electricity supply, the slow pace of establishing an effective and transparent judiciary that understands commercial issues, needed education reform - especially the lack of vocational education - and burdensome labor laws that deter hiring and make dismissals for cause difficult. Through our assistance programs and the donor community's Private Sector Working Group we are actively working with the GOS to advance much-needed policy reforms.

BOTTOM LINE

¶17. (SBU) Senegal under Wade is a good partner and generally sympathetic to U.S. interests. Economically, Senegal wants to expand its ties to the U.S., especially in agro-industry,

DAKAR 00000220 005 OF 005

telecommunications, energy, and transport, but first needs to improve the business climate. Bilateral relations remain warm, but expanding our areas of cooperation to additional sectors of mutual benefit will take effort. We must press the government on the need to strengthen democratic institutions, improve governance, not provide support to coup

leaders, recommit to economic reforms, and improve transparency and accountability in its public finances, while we work to strengthen the country's counter-narcotics and counter-terrorism capabilities and continue providing support for Senegal's peacekeeping efforts.

BERNICAT